

For Immediate Release

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**State Farm Reaffirms Its Commitment to Lower
Automobile Insurance Rates in West Virginia**

Herndon, VA (April 14, 2005) - State Farm Insurance today reaffirmed its commitment to lower automobile insurance rates in West Virginia as a result of the insurance and civil justice reforms passed by the West Virginia Legislature.

Arlene Hogan is State Farm's operations vice president for the Mid-Atlantic Zone, a five state region which includes West Virginia. She is the senior executive responsible for State Farm's claim operations in West Virginia. Hogan met personally with Governor Manchin earlier in the legislative session.

"I am pleased to reaffirm State Farm's commitment to Governor Manchin in response to the meaningful insurance reform enacted by the West Virginia Legislature.", Hogan said. "State Farm plans to file its new automobile insurance rates with the West Virginia Insurance Commission during the month of May. We hope that the Insurance Commissioner will approve the rate filing in a timely manner so that we can begin to implement the new rates once the reform legislation takes effect as law in July."

The specific dollar amounts of the rate reduction will be made public when the filing is submitted to the Insurance Commission. Hogan said that the initial rate reduction for State Farm's automobile policies in West Virginia will be "significant and meaningful".

"We will also continue to submit new rate filings for both auto and homeowners' insurance every six (6) months during the next four (4) years in order to capture additional savings and improvements resulting from these reforms .", Hogan said.

"State Farm is committed to serving our policyholders in West Virginia. Our agents and employees are excited and we look forward to writing new business again in West Virginia."

"State Farm commends Governor Joe Manchin, Senate President Earl Ray Tomblin, House Speaker Bob Kiss and Insurance Commissioner Jane Cline for their leadership in enacting these laws to address many of the problems with West Virginia's insurance market. These historic reforms will help make insurance more available and affordable for West Virginia consumers."

State Farm Insurance is the state's largest property and casualty insurer. State Farm insures thirty percent (30%) of the automobiles and twenty-five percent (25%) of the homes in West Virginia. State Farm has 146 independent contractor agents in West Virginia, and over 840 people are employed in State Farm claim offices and agencies throughout the state.

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